Attorney Docket No.: 74577-024   PATENT
                                        Application No. 09/891,945

This listing of claims will replace all prior versions, and listings, of claims in the

application:

Listing of Claims

1. (currently amended) A computer-implemented method of allocating a trade of

a number of same financial instruments among a plurality of different, concurrently

available portfolios, the method comprising the steps of:

receiving, at an allocating management system from an order management

systems system, a message descriptive of a trade of a financial instrument number of

same financial instruments, the message comprising a financial instrument identifier and

a size of the trade;

determining a risk class associated with the identified financial instrument;

determining a first plurality of portfolios associated with the risk class and a target

ratio for each of the portfolios, wherein each of the first plurality of portfolios is different

from the others of the first plurality of portfolios and is concurrently available for holding

one or more of the financial instruments; and

allocating the trade of the number of financial instrument instruments among each

of the first plurality of portfolios based on the target ratio associated with each of said

portfolios, such that each of the first plurality of portfolios is allocated a portion of the

number of the financial instruments based on the target ratio,

wherein at least one of said steps is performed by a computer.

2

2. (original) The method of claim 1 wherein the message further comprises an identifier of a risk class and determining the risk class associated with the identified financial instrument comprises determining based on the identifier of the risk class.

3. (original) The method of claim 1 further comprising:

computing a target ratio for each of the first plurality of portfolios based on available capital in each portfolio and available capital in other portfolios in the first plurality.

4. (original) The method of claim 3 wherein:

a first portfolio in the first plurality comprises a multi-strategy portfolio that is further associated with a second risk class;

computing a target ratio for the first portfolio further comprises computing a second target ratio based on the second risk class.

5. (original) The method of claim 4 wherein computing the second target ratio comprises computing based on available capital comprising a portion of the first portfolio associated with the second risk class and available capital in other portfolios associated with the second risk class.

3

Attorney Docket No.: 74577-024   PATENT
                                                    Application No. 09/891,945

6. (original) The method of claim 1 wherein allocating the trade further

comprises:

allocating a quantity to each of the first plurality of portfolios such that a sum of

the allocated quantities equals the size of the trade.

7. (original) The method of claim 6 wherein allocating comprises allocating the

size among each of the first plurality of portfolio based on a multiple of a predetermined

lot size.

8. (original) The method of claim 6 further comprising:

for each one of the first plurality of portfolios, generating a trade message

comprising the financial instrument identifier, the quantity allocated to the one of the

portfolios, and an identifier of the one of the portfolios; and

sending each of the generated trade messages to a portfolio management system.

9. (original) The method of claim 1 further comprising:

receiving trade correction data at the allocation management system, the trade

correction data identifying the trade of the identified financial instrument;

querying a trade allocation history database to identify the target ratios used for

allocating the trade among the first plurality of portfolios; and

4

generating a plurality of trade correction messages, each correcting the allocation

of the trade of the first financial instrument to a different one of the first plurality of

portfolios.

10. (original) The method of claim 9 further comprising sending the trade

correction messages to a portfolio management system.

11. (original) The method of claim 10 wherein the portfolio management system

maintains an accounting of the financial instruments in each portfolio and free capital

associated with each portfolio.

12. (original) The method of claim 9 wherein the target ratios associated with the

first plurality of portfolios at a time of receipt of the trade correction data is different

from the target ratios used for allocating the trade.

13. (original) The method of claim 1 wherein the message further comprises a

trade type selected from the group consisting of a buy order and a sell order.

14. (original) The method of claim 1 wherein the order management system is

one of a plurality of order management systems, each order management system being

5

Attorney Docket No.: 74577-024   PATENT
                                                      Application No. 09/891,945

able to exchange messages with the allocation management system, the messages

comprising messages descriptive of trades of financial instruments.

15. (original) The method of claim 14 wherein each message is exchanged over a

network interface using a standard message exchange protocol.

16. (original) The method of claim 15 wherein the standard message exchange

protocol comprises the FIX protocol.

17. (original) The method of claim 1 further comprising:

receiving at the allocation management system a second message descriptive of a

trade of a second financial instrument, the second message comprising a financial

instrument identifier, a size of the trade, and allocation data;

allocating the trade of the second financial instrument among a second plurality of

portfolios based on the allocation data in the second message.

18. (original) The method of claim 17 wherein the allocation data comprises

target ratio data.

6

Attorney Docket No.: 74577-024   PATENT
                                                        Application No. 09/891,945

19. (original) A trade allocation system for allocating a trade of a number of same

financial instruments among a plurality of different, concurrently available portfolios, the

system comprising:

a computer system comprising a network interface configured to receive trading

messages from an order management system;

a first database coupled to the computer and comprising first data associating each

of a plurality of portfolios with a risk class and a target ratio;

a second database storing instruction to configure the computer system to:

receive from the order management systems a message descriptive of a

trade of a number of same financial ~~instrument~~ instruments, the message comprising a

financial instrument identifier, a size of the trade, and a risk class identifier;

query the first database to determining a first plurality of portfolios that

are associated with a risk class identified by the risk class identifier, wherein each of the

first plurality of portfolios is different from the others of the first plurality of portfolios

and is concurrently available for holding one or more of the same financial instruments;

query the first database to determine a target ratio for each of the first

plurality of portfolios; and

allocate the trade of the number of the financial ~~instrument~~ instruments

among each of the first plurality of portfolios based on the determined target ratio for

each of said portfolios.

7